



2013 ASSEMBLY BILL 277

1 **AN ACT** *to amend* 13.92 (4) (c), 13.92 (4) (d), 13.92 (4) (e), 13.92 (4) (f), 35.93 (2)
2 (b) 4., 35.93 (2) (c) 1., 35.93 (3), 35.93 (3) (e) (intro.), 35.93 (3) (e) 1., 227.01 (13)
3 (intro.), 227.11 (2) (intro.) and 227.27 (2); and **to create** 13.92 (4) (bm) and
4 227.265 of the statutes; **relating to:** rule-making procedures and modifying
5 and repealing various rules promulgated by the Department of Financial
6 Institutions.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

7 **SECTION 1.** 13.92 (4) (bm) of the statutes is created to read:
8 13.92 (4) (bm) If 2 or more rules filed under s. 227.20 or modified under s.
9 227.265 affect the same unit of the Wisconsin administrative code without taking
10 cognizance of the effect thereon of the other rules and if the legislative reference

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1 bureau finds that there is no mutual inconsistency in the changes made by each such
2 rule, the legislative reference bureau shall incorporate the changes made by each
3 rule into the text of the unit and document the incorporation in a note to the unit.
4 For each such incorporation, the legislative reference bureau shall include in a
5 correction bill a provision formally validating the incorporation. Section 227.27 (2)
6 is not affected by printing decisions made by the legislative reference bureau under
7 this paragraph.

8 **SECTION 2.** 13.92 (4) (c) of the statutes is amended to read:

9 13.92 (4) (c) The legislative reference bureau may insert in the Wisconsin
10 administrative code a note explaining any change made under par. (b) or (bm).

11 **SECTION 3.** 13.92 (4) (d) of the statutes is amended to read:

12 13.92 (4) (d) Sections 227.114, 227.116, 227.135, and 227.14 to 227.24 do not
13 apply to any change made by the legislative reference bureau under par. (b) or (bm).

14 **SECTION 4.** 13.92 (4) (e) of the statutes is amended to read:

15 13.92 (4) (e) The legislative reference bureau shall prepare and keep on file a
16 record of each change made under par. (b) or (bm).

17 **SECTION 5.** 13.92 (4) (f) of the statutes is amended to read:

18 13.92 (4) (f) The legislative reference bureau shall notify the agency involved
19 of each change made under par. (b) or (bm).

20 **SECTION 6.** 35.93 (2) (b) 4. of the statutes, as affected by 2013 Wisconsin Act 20,
21 is amended to read:

22 35.93 (2) (b) 4. Copies of all rules filed with the legislative reference bureau
23 under s. 227.20 (1) or modified under s. 227.265 since the compilation of the
24 preceding register, including emergency rules filed under s. 227.24 (3).

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1 **SECTION 7.** 35.93 (2) (c) 1. of the statutes, as affected by 2013 Wisconsin Act 20,
2 is amended to read:

3 35.93 (2) (c) 1. Each chapter of the Wisconsin administrative code that has been
4 affected by rules filed with legislative reference bureau under s. 227.20 (1) or
5 modified under s. 227.265, in accordance with sub. (3) (e) 1.

6 **SECTION 8.** 35.93 (3) of the statutes is amended to read:

7 35.93 (3) The legislative reference bureau shall compile and deliver to the
8 department for printing copy for a register which shall contain all the rules filed
9 under s. 227.20 or modified under s. 227.265 since the compilation of rules for the
10 preceding issue of the register was made and those executive orders which are to be
11 in effect for more than 90 days or an informative summary thereof. The complete
12 register shall be compiled and published before the first day of each month and a
13 notice section of the register shall be compiled and published before the 15th day of
14 each month. Each issue of the register shall contain a title page with the name
15 “Wisconsin administrative register”, the number and date of the register, and a table
16 of contents. Each page of the register shall also contain the date and number of the
17 register of which it is a part in addition to the other necessary code titles and page
18 numbers. The legislative reference bureau may include in the register such
19 instructions or information as in the bureau’s judgment will help the user to correctly
20 make insertions and deletions in the code and to keep the code current.

21 **SECTION 9.** 35.93 (3) (e) (intro.) of the statutes, as affected by 2013 Wisconsin
22 Act 20, is amended to read:

23 35.93 (3) (e) (intro.) The legislative reference bureau shall incorporate into the
24 appropriate chapters of the Wisconsin administrative code each permanent rule filed
25 with the legislative reference bureau under s. 227.20 (1) or modified under s. 227.265

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1 and, for each chapter of the administrative code affected by a rule, do all of the
2 following:

3 **SECTION 10.** 35.93 (3) (e) 1. of the statutes, as affected by 2013 Wisconsin Act
4 20, is amended to read:

5 35.93 (3) (e) 1. Publish the chapter in the appropriate end-of-month register
6 in accordance with the filing deadline for publication established in the rules
7 procedures manual published under s. 227.15 (7) or, in an end-of-month register
8 agreed to by the submitting agency and the legislative reference bureau, or, in the
9 case of a rule modified under s. 227.265, in the end-of-month register for the month
10 in which the bill modifying the rule is enacted.

11 **SECTION 11.** 227.01 (13) (intro.) of the statutes is amended to read:

12 227.01 (13) (intro.) “Rule” means a regulation, standard, statement of policy,
13 or general order of general application which has the effect of law and which is issued
14 by an agency to implement, interpret, or make specific legislation enforced or
15 administered by the agency or to govern the organization or procedure of the agency.
16 “Rule” includes a modification of a rule under s. 227.265. “Rule” does not include, and
17 s. 227.10 does not apply to, any action or inaction of an agency, whether it would
18 otherwise meet the definition under this subsection, which:

19 **SECTION 12.** 227.11 (2) (intro.) of the statutes is amended to read:

20 227.11 (2) (intro.) Rule-making authority is expressly conferred on an agency
21 as follows:

22 **SECTION 13.** 227.265 of the statutes is created to read:

23 **227.265 Repeal or modification of rules.** If a bill to repeal or modify a rule
24 is enacted, the procedures under ss. 227.114 to 227.21 and 227.26 do not apply.
25 Instead, the legislative reference bureau shall publish the repeal or modification in

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1 the Wisconsin administrative code and register as required under s. 35.93, and the
2 repeal or modification shall take effect as provided in s. 227.22.

3 **SECTION 14.** 227.27 (2) of the statutes is amended to read:

4 227.27 (2) The code shall be prima facie evidence in all courts and proceedings
5 as provided by s. 889.01, but this does not preclude reference to or, in case of a
6 discrepancy, control over a rule filed with the legislative reference bureau ~~or the~~
7 ~~secretary of state~~ under s. 227.20 or modified under s. 227.265, and the certified copy
8 of a rule shall also and in the same degree be prima facie evidence in all courts and
9 proceedings.

10 **SECTION 15.** DFI-Bkg 10.03 of the administrative code is amended to read:

11 DFI-Bkg 10.03 **Notice of appeal.** Any interested person aggrieved by any act,
12 order, or determination of the administrator of the division of banking under chs.
13 220, 221, and 223, Stats., may file with the administrator of the division of banking
14 within 10 days after the act, order, or determination to be reviewed ~~an original and~~
15 ~~8 copies of~~ a Notice of Appeal in the manner prescribed by s. DFI-Bkg 10.05 in the
16 following form:

17 To the Wisconsin Banking Review Board:

18 The undersigned hereby appeals from the order of the administrator of the
19 division of banking dated _____, 20__, whereby it was ordered that (here set
20 forth the substance of the order).

21 The nature of petitioner's interest is: (Here set forth the nature of petitioner's
22 interest).

23 The grounds of appeal are the following: (Here set forth the exceptions or
24 objections relied on, and if no answer has been filed, then also an answer to the
25 findings of fact in the order, in the manner prescribed by s. DFI-Bkg 11.11, rules of

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1 Procedure for proceedings and hearings had before the administrator of the division
2 of banking).

3 Dated _____, 20__.

4 **SECTION 16.** DFI-Bkg 14.07 (2) (a) (intro.) of the administrative code is
5 amended to read:

6 DFI-Bkg 14.07 (2) (a) (intro.) The liability of a customer of a bank for the
7 unauthorized use of a plastic card or other ~~means providing the customer access~~
8 device to a customer bank communications terminal ~~may not exceed the lesser of the~~
9 following shall be determined as follows:

10 **SECTION 17.** DFI-Bkg 14.07 (2) (a) 1. and 2. of the administrative code are
11 repealed.

12 **SECTION 18.** DFI-Bkg 14.07 (2) (a) 3., 4., 5., 6., 7. and 8. of the administrative
13 code are created to read:

14 DFI-Bkg 14.07 (2) (a) 3. If the customer notifies the bank within 2 business
15 days after learning of the unauthorized use or of loss or theft of the plastic card or
16 other access device, the customer's liability may not exceed the lesser of \$50 or the
17 amount of unauthorized transfers that occur before notice to the bank.

18 4. If the customer fails to notify the bank within 2 business days after learning
19 of the unauthorized use or of loss or theft of the plastic card or other access device,
20 the customer's liability may not exceed the lesser of \$500 or the sum of all of the
21 following:

22 a. \$50 or the amount of unauthorized transfers that occur within the 2 business
23 days, whichever is less.

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1 b. The amount of unauthorized transfers that occur after the close of 2 business
2 days and before notice to the bank, if the bank establishes that these transfers would
3 not have occurred had the customer notified the bank within that 2–day period.

4 5. A customer must report an unauthorized transfer from the unauthorized use
5 of a plastic card or other access device to a customer bank communications terminal
6 that appears on a periodic statement within 60 days of the bank’s transmittal of the
7 statement to avoid liability for subsequent transfers. If the customer fails to do so,
8 the customer’s liability may not exceed the amount of the unauthorized transfers
9 that occur after the close of the 60 days and before notice to the bank and that the
10 bank establishes would not have occurred had the customer notified the bank within
11 the 60–day period. When a plastic card or other access device is involved in the
12 unauthorized transfer, the customer may be liable for other amounts set forth in
13 subd. 3. or 4., as applicable.

14 6. If the customer’s delay in notifying the bank as provided in subd. 5. was due
15 to extenuating circumstances, the bank shall extend the time specified in subd. 5. to
16 a reasonable period.

17 7. a. Notice to a bank is given when a customer takes steps reasonably
18 necessary to provide the bank with the pertinent information, whether or not a
19 particular employee or agent of the bank actually receives the information.

20 b. A customer may notify the bank in person, by telephone, or in writing.

21 c. Written notice is considered given at the time the customer mails the notice
22 or delivers it for transmission to the bank by any other usual means. Notice may be
23 considered constructively given when the bank becomes aware of circumstances
24 leading to the reasonable belief that an unauthorized transfer to or from the
25 customer’s account has been or may be made.

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1 8. If an agreement between the customer and the bank imposes less liability
2 than is provided by this section, the customer's liability may not exceed the amount
3 imposed under the agreement.

4 **SECTION 19.** DFI-Bkg 14.07 (2) (b) of the administrative code is amended to
5 read:

6 DFI-Bkg 14.07 (2) (b) A customer furnishing another person with a plastic card
7 or other means of access device to the customer's account through a customer bank
8 communications terminal shall be deemed to authorize all transactions that may be
9 accomplished by that means, until the customer has given actual notice to the bank
10 that further transactions are unauthorized.

11 **SECTION 20.** DFI-Bkg 14.08 (2) (intro.) of the administrative code is amended
12 to read:

13 DFI-Bkg 14.08 (2) TRANSACTION DOCUMENTATION. (intro.) ~~Every~~ Except as
14 provided in sub. (4), every transfer of funds through a customer bank
15 communications terminal made by a customer of a bank shall be evidenced by a
16 written document made available to the customer at the time of the transaction. The
17 document shall indicate with reasonable specificity the identity of any third party
18 to whom funds are electronically transferred, the identity of the customer's account,
19 the amount of funds transferred, the type of transaction, and the date of the
20 transaction. A customer may be required to re-enter an access device, such as a card,
21 at a terminal in order to receive transaction documentation if all of the following
22 conditions are met:

23 **SECTION 21.** DFI-Bkg 14.08 (4) of the administrative code is created to read:

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1 DFI-Bkg 14.08 (4) EXCEPTION FOR WRITTEN DOCUMENT IN SMALL-VALUE
2 TRANSFERS. A bank is not subject to the requirement to make available a written
3 document under sub. (2) if the amount of the transfer is \$15 or less.

4 **SECTION 22.** DFI-Bkg 14.09 of the administrative code is repealed.

5 **SECTION 23.** DFI-Bkg 40.04 (2) of the administrative code is amended to read:

6 DFI-Bkg 40.04 (2) Before using any trade name or d/b/a designation, the
7 licensee shall obtain ~~written~~ approval from the division for the use of such trade
8 name or d/b/a designation.

9 **SECTION 24.** DFI-Bkg 41.05 (intro.) of the administrative code is amended to
10 read:

11 DFI-Bkg 41.05 **License renewals.** (intro.) For all licenses ~~expiring on or~~
12 ~~after December 31, 2010~~ under subch. III of ch. 224, Stats., all of the following apply:

13 **SECTION 25.** DFI-Bkg 46.01 (3) of the administrative code is renumbered
14 DFI-Bkg 46.01 (3) (am) and DFI-Bkg 46.01 (3) (am) (intro.), as renumbered, is
15 amended to read:

16 DFI-Bkg 46.01 (3) (am) (intro.) ~~“Points~~ Except as provided in par. (bm), “points
17 and fees” means any of the following:

18 **SECTION 26.** DFI-Bkg 46.01 (3) (bm) of the administrative code is created to
19 read:

20 DFI-Bkg 46.01 (3) (bm) “Points and fees” does not include reasonable fees paid
21 to affiliates or nonaffiliates of the lender for bona fide services listed in 12 CFR 226.4
22 (c) (7).

23 **SECTION 27.** DFI-Bkg 73.02 (2) (e) of the administrative code is amended to
24 read:

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1 DFI-Bkg 73.02 (2) (e) A statement to the effect that the debtor will be
2 permitted to examine his or her accounts ~~in the office of the licensee during regular~~
3 ~~office hours.~~

4 **SECTION 28.** DFI-Bkg 73.03 (1) of the administrative code is amended to read:

5 DFI-Bkg 73.03 (1) (a) *Shared office space.* The office of an adjustment service
6 company shall not be shared or have a common waiting room with a practicing
7 attorney, collection agency, justice of the peace, loan or finance company. Before any
8 other business is conducted in the same office with the licensee, prior approval must
9 be granted by the ~~office of administrator of the~~ division of banking. The office shall
10 not be located in a private residence unless the adjustment service office is used
11 solely for business purposes, has an outside entrance and can be isolated from the
12 remainder of the residence. If other approved business is conducted in the same
13 office, the accounting records of such other business shall be kept separate from the
14 account records of the adjustment service company.

15 (b) *Office hours.* Every licensee shall maintain regular office hours on
16 designated business days from Monday through Friday and must be open for
17 business at least 4 hours each designated business day. Whenever an office is not
18 open for business at least 6 hours a day, or if the licensee maintains irregular office
19 hours, a written notice must be filed with the ~~office of the administrator of the~~
20 division of banking setting forth the schedule of minimum office hours.

21 **SECTION 29.** DFI-Bkg 73.03 (2) of the administrative code is amended to read:

22 DFI-Bkg 73.03 (2) **FORMS TO BE APPROVED.** All agreements, contracts, form
23 letters or any other form whatsoever to be used by licensee in conducting its business
24 shall be submitted ~~in duplicate to the administrator of the~~ division of banking for
25 approval, and no such form or agreement shall be used until approved. ~~A folder~~

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1 ~~containing the file copy of all approved forms including the approved schedule of~~
2 ~~irregular office hours, if any, must be maintained in the licensed office in the order~~
3 ~~in which the forms were approved.~~

4 **SECTION 30.** DFI-Bkg 73.03 (7) of the administrative code is repealed.

5 **SECTION 31.** DFI-Bkg 73.05 (4) and (5) of the administrative code are amended
6 to read:

7 DFI-Bkg 73.05 (4) Licensee's trust and operating bank accounts for creditor
8 disbursements should be reconciled monthly with the canceled check together with
9 voided or unused checks filed in numerical order after the monthly statement has
10 been reconciled. The numerically numbered check stubs corresponding with all trust
11 account and operating account checks shall be maintained in the office of licensee.
12 All accounts shall be made available for reviewing ~~in the office of administrator of~~
13 by the division of banking.

14 (5) It is not intended that the information required to be furnished in sub. (1)
15 be retained in the same chronological order. The records of licensees may vary in the
16 event that data processing procedures are adopted which will prevent the licensee
17 from maintaining certain records required above. ~~The office of administrator of the~~
18 ~~division of banking may approve of the records to be maintained as long as adequate~~
19 ~~information is available for examination purposes.~~

20 **SECTION 32.** DFI-Bkg 74.07 (1) (b) and (c) of the administrative code are
21 amended to read:

22 DFI-Bkg 74.07 (1) (b) A ~~ledger~~ record consisting of asset and liability accounts
23 including a continuous record of all physical assets such as furniture, fixtures and
24 office equipment.

25 (c) A ~~ledger~~ record of income and expenses.

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1 **SECTION 33.** DFI-Bkg 74.08 of the administrative code is repealed.

2 **SECTION 34.** DFI-Bkg 74.11 (2) (d) of the administrative code is amended to
3 read:

4 DFI-Bkg 74.11 **(2)** (d) A fee not to exceed the lesser of \$25 or 3% of the payment
5 amount, not including the fee, may be added to the account of the debtor when the
6 debtor makes a payment using a credit card or debit card.

7 **SECTION 35.** DFI-Bkg 74.13 (1) of the administrative code is amended to read:

8 DFI-Bkg 74.13 **(1)** Unless the initial communication is written and contains
9 the following notice or the debtor has paid the debt, a licensee shall send the debtor
10 the following notice within 5 days after the initial communication with a debtor:
11 “This collection agency is licensed by the Division of Banking, ~~P.O. Box 7876,~~
12 ~~Madison, Wisconsin 53707~~ in the Wisconsin Department of Financial Institutions,
13 www.wdfi.org.” This notice shall be in at least 8 point type and shall be typed or
14 printed on either a collection notice or on the validation of any debt directed to the
15 debtor by the licensee pursuant to Section 809 of the Federal Fair Debt Collection
16 Practices Act.

17 **SECTION 36.** DFI-Bkg 76.03 of the administrative code is amended to read:

18 DFI-Bkg 76.03 **Delinquency and deferral charges.** **(1)** In consumer credit
19 transactions a retail seller may contract for and receive delinquency charges only in
20 accordance with s. 422.203, Stats., and regulations issued by the ~~administrator of the~~
21 division of banking thereunder.

22 **(3)** A retail seller may contract for and assess deferral charges only in
23 accordance with s. 422.204, Stats., and regulations issued by the ~~administrator of the~~
24 division of banking thereunder.

25 **SECTION 37.** DFI-Bkg 76.06 of the administrative code is amended to read:

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1 DFI-Bkg 76.06 **Refinancing.** Upon refinancing a retail installment contract
2 prior to its maturity the customer shall receive as of the date of the refinancing a
3 rebate of the unearned finance charge pursuant to the provisions of s. DFI-Bkg
4 76.04, except that for the purposes of computing this amount no minimum finance
5 charge shall be allowed in consumer credit transactions. ~~The rate of finance charge~~
6 ~~upon refinancing shall not exceed the maximum rate applicable to the vehicle under~~
7 ~~s. 218.0142, Stats., at the time it was originally financed if the creditor is a licensed~~
8 ~~motor vehicle dealer. Otherwise, the maximum rate shall not exceed the rate at~~
9 ~~which the creditor could loan the refinanced balance to the customer.~~

10 **SECTION 38.** DFI-Bkg 76.07 of the administrative code is amended to read:

11 DFI-Bkg 76.07 **Consolidation.** Upon consolidation of the unpaid balance of
12 a retail installment contract for the purchase of a motor vehicle with the unpaid
13 balance of any other transaction for the purchase of a motor vehicle, the customer
14 shall receive a rebate of the unearned finance charge on each retail installment
15 contract pursuant to the provisions of s. DFI-Bkg 76.04, except that for the purposes
16 of computing that amount no minimum finance charge shall be allowed in consumer
17 credit transactions. ~~The rate of finance charge upon consolidation shall not exceed~~
18 ~~the maximum rate under s. 218.0142, Stats., applicable to the vehicle most recently~~
19 ~~purchased if the creditor is a licensed motor vehicle dealer. Otherwise the maximum~~
20 ~~rate shall not exceed the rate at which the creditor could loan the consolidated~~
21 ~~balance to the customer.~~

22 **SECTION 39.** DFI-Bkg 76.09 (2) (intro.) and (b) (intro.) of the administrative
23 code are amended to read:

24 DFI-Bkg 76.09 **(2)** (intro.) Each motor vehicle sales finance company shall in
25 connection with each transaction evidenced by a retail installment contract retained

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1 by such sales finance company for a period of more than 30 days, maintain a written
2 ledger ~~card or~~ record which shall include the following:

3 (b) (intro.) Paid accounts. In addition to the information required above the
4 written ledger ~~record or ledger card~~ shall include:

5 **SECTION 40.** DFI-Bkg 76.11 (1) of the administrative code is amended to read:

6 DFI-Bkg 76.11 (1) “Business license” means a license issued by the
7 administrator ~~of the~~ division of banking under ch. 218, Stats., to a motor vehicle
8 dealer.

9 **SECTION 41.** DFI-Bkg 76.11 (2) of the administrative code is repealed.

10 **SECTION 42.** DFI-Bkg 76.12 (1) (a) (intro.) and (b) (intro.) of the administrative
11 code are amended to read:

12 DFI-Bkg 76.12 (1) (a) *General licensing period and expiration dates.* (intro.)
13 The license period for business licenses is 2 years. The administrator ~~of the~~ division
14 of banking shall issue business licenses that start and expire on the following dates:

15 (b) *Initial licenses.* (intro.) The administrator ~~of the~~ division of banking may
16 issue initial licenses that go into effect on dates other than the first day of an
17 even-numbered month. The licenses may expire before the end of 2 years, and their
18 expiration dates may be assigned as follows:

19 **SECTION 43.** DFI-Bkg 76.12 (2) of the administrative code is amended to read:

20 DFI-Bkg 76.12 (2) LICENSES RUN CONCURRENTLY. A motor vehicle ~~or mobile~~
21 ~~home~~ license to operate as a sales finance company will be issued to run concurrently
22 with the department of transportation dealer licenses.

23 **SECTION 44.** DFI-Bkg 76.13 of the administrative code is amended to read:

24 DFI-Bkg 76.13 **License fees.** (1) The administrator ~~of the~~ division of banking
25 shall collect fees based on the statutory formulas described in s. 218.0114 (15), Stats.,

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1 and elsewhere, which is the number of years in a licensing period multiplied by the
2 current annual fee of \$50. If the dealer originates and carries or retains time sales
3 contracts for more than 30 days in a total amount exceeding \$100,000, a bill will be
4 issued for additional business license fees due based upon the schedule of fees in s.
5 218.0114 (16), Stats.

6 (2) When the ~~administrator of the~~ division of banking issues an initial license
7 for a period less than 2 years, it may reduce the business license fees by the same
8 proportion as the reduction in the business license period.

9 **SECTION 45.** DFI-CU 63.07 (2) (a) (intro.) of the administrative code is
10 amended to read:

11 DFI-CU 63.07 (2) (a) (intro.) The liability of a customer of a credit union for
12 the unauthorized use of a plastic card or other ~~means providing the customer access~~
13 device to a remote terminal ~~may not exceed the lesser of the following~~ shall be
14 determined as follows:

15 **SECTION 46.** DFI-CU 63.07 (2) (a) 1. and 2. of the administrative code are
16 repealed.

17 **SECTION 47.** DFI-CU 63.07 (2) (a) 3., 4., 5., 6., 7. and 8. of the administrative
18 code are created to read:

19 DFI-CU 63.07 (2) (a) 3. If the customer notifies the credit union within 2
20 business days after learning of the unauthorized use or of loss or theft of the plastic
21 card or other access device, the customer's liability may not exceed the lesser of \$50
22 or the amount of unauthorized transfers that occur before notice to the credit union.

23 4. If the customer fails to notify the credit union within 2 business days after
24 learning of the unauthorized use or of loss or theft of the plastic card or other access

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1 device, the customer's liability may not exceed the lesser of \$500 or the sum of all of
2 the following:

3 a. \$50 or the amount of unauthorized transfers that occur within the 2 business
4 days, whichever is less.

5 b. The amount of unauthorized transfers that occur after the close of 2 business
6 days and before notice to the credit union, if the credit union establishes that these
7 transfers would not have occurred had the customer notified the credit union within
8 that 2-day period.

9 5. A customer must report an unauthorized transfer from the unauthorized use
10 of a plastic card or other access device to a remote terminal that appears on a periodic
11 statement within 60 days of the credit union's transmittal of the statement to avoid
12 liability for subsequent transfers. If the customer fails to do so, the customer's
13 liability may not exceed the amount of the unauthorized transfers that occur after
14 the close of the 60 days and before notice to the credit union and that the credit union
15 establishes would not have occurred had the customer notified the credit union
16 within the 60-day period. When a plastic card or other access device is involved in
17 the unauthorized transfer, the customer may be liable for other amounts set forth in
18 subd. 3. or 4., as applicable.

19 6. If the customer's delay in notifying the credit union as provided in subd. 5.
20 was due to extenuating circumstances, the credit union shall extend the time
21 specified in subd. 5. to a reasonable period.

22 7. a. Notice to a credit union is given when a customer takes steps reasonably
23 necessary to provide the credit union with the pertinent information, whether or not
24 a particular employee or agent of the credit union actually receives the information.

25 b. A customer may notify the credit union in person, by telephone, or in writing.

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1 c. Written notice is considered given at the time the customer mails the notice
2 or delivers it for transmission to the credit union by any other usual means. Notice
3 may be considered constructively given when the credit union becomes aware of
4 circumstances leading to the reasonable belief that an unauthorized transfer to or
5 from the customer's account has been or may be made.

6 8. If an agreement between the customer and the credit union imposes less
7 liability than is provided by this section, the customer's liability may not exceed the
8 amount imposed under the agreement.

9 **SECTION 48.** DFI-CU 63.07 (2) (b) of the administrative code is amended to
10 read:

11 DFI-CU 63.07 (2) (b) A customer furnishing another person with a plastic card
12 or other ~~means of access~~ device to the customer's account through a remote terminal
13 shall be deemed to authorize all transactions that may be accomplished by that
14 means, until the customer has given actual notice to the credit union that further
15 transactions are unauthorized.

16 **SECTION 49.** DFI-CU 63.08 (2) (intro.) of the administrative code is amended
17 to read:

18 DFI-CU 63.08 (2) TRANSACTION DOCUMENTATION. (intro.) ~~Every~~ Except as
19 provided in sub. (4), every transfer of funds through a remote terminal made by a
20 customer of a credit union shall be evidenced by a written document made available
21 to the customer at the time of the transaction. The document shall indicate with
22 reasonable specificity the identity of any third party to whom funds are electronically
23 transferred, the identity of the customer's account, the amount of funds transferred,
24 the type of transaction, and the date of the transaction. A customer may be required

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1 to reenter an access device, such as a card, at a terminal in order to receive
2 transaction documentation if all of the following conditions are met:

3 **SECTION 50.** DFI-CU 63.08 (4) of the administrative code is created to read:

4 DFI-CU 63.08 (4) EXCEPTION FOR WRITTEN DOCUMENT IN SMALL-VALUE TRANSFERS.

5 A credit union is not subject to the requirement to make available a written
6 document under sub. (2) if the amount of the transfer is \$15 or less.

7 **SECTION 51.** DFI-CU 63.09 of the administrative code is repealed.

8 **SECTION 52.** DFI-SB 12.07 (2) (a) (intro.) of the administrative code is amended
9 to read:

10 DFI-SB 12.07 (2) (a) (intro.) The liability of a customer of a savings bank for
11 the unauthorized use of a plastic card or other means providing the customer access
12 device to a remote service unit may not exceed the lesser of the following shall be
13 determined as follows:

14 **SECTION 53.** DFI-SB 12.07 (2) (a) 1. and 2. of the administrative code are
15 repealed.

16 **SECTION 54.** DFI-SB 12.07 (2) (a) 3., 4., 5., 6., 7. and 8. of the administrative
17 code are created to read:

18 DFI-SB 12.07 (2) (a) 3. If the customer notifies the savings bank within 2
19 business days after learning of the unauthorized use or of loss or theft of the plastic
20 card or other access device, the customer's liability may not exceed the lesser of \$50
21 or the amount of unauthorized transfers that occur before notice to the savings bank.

22 4. If the customer fails to notify the savings bank within 2 business days after
23 learning of the unauthorized use or of loss or theft of the plastic card or other access
24 device, the customer's liability may not exceed the lesser of \$500 or the sum of all of
25 the following:

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1 a. \$50 or the amount of unauthorized transfers that occur within the 2 business
2 days, whichever is less.

3 b. The amount of unauthorized transfers that occur after the close of 2 business
4 days and before notice to the savings bank, if the savings bank establishes that these
5 transfers would not have occurred had the customer notified the savings bank within
6 that 2-day period.

7 5. A customer must report an unauthorized transfer from the unauthorized use
8 of a plastic card or other access device to a remote service unit that appears on a
9 periodic statement within 60 days of the savings bank's transmittal of the statement
10 to avoid liability for subsequent transfers. If the customer fails to do so, the
11 customer's liability may not exceed the amount of the unauthorized transfers that
12 occur after the close of the 60 days and before notice to the savings bank and that the
13 savings bank establishes would not have occurred had the customer notified the
14 savings bank within the 60-day period. When a plastic card or other access device
15 is involved in the unauthorized transfer, the customer may be liable for other
16 amounts set forth in subd. 3. or 4., as applicable.

17 6. If the customer's delay in notifying the savings bank as provided in subd. 5.
18 was due to extenuating circumstances, the savings bank shall extend the time
19 specified in subd. 5. to a reasonable period.

20 7. a. Notice to a savings bank is given when a customer takes steps reasonably
21 necessary to provide the savings bank with the pertinent information, whether or not
22 a particular employee or agent of the savings bank actually receives the information.

23 b. A customer may notify the savings bank in person, by telephone, or in
24 writing.

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1 c. Written notice is considered given at the time the customer mails the notice
2 or delivers it for transmission to the savings bank by any other usual means. Notice
3 may be considered constructively given when the savings bank becomes aware of
4 circumstances leading to the reasonable belief that an unauthorized transfer to or
5 from the customer's account has been or may be made.

6 8. If an agreement between the customer and the savings bank imposes less
7 liability than is provided by this section, the customer's liability may not exceed the
8 amount imposed under the agreement.

9 **SECTION 55.** DFI-SB 12.07 (2) (b) of the administrative code is amended to
10 read:

11 DFI-SB 12.07 (2) (b) A customer furnishing another person with the plastic
12 card or other means providing access device to the customer's account through a
13 remote service unit shall be deemed to authorize all transactions that may be
14 accomplished by that means until the customer has given actual notice to the savings
15 bank that further transactions are unauthorized.

16 **SECTION 56.** DFI-SB 12.08 (2) (intro.) of the administrative code is amended
17 to read:

18 DFI-SB 12.08 (2) TRANSACTION DOCUMENTATION. (intro.) ~~Every~~ Except as
19 provided in sub. (4), every transfer of funds made through a remote service unit by
20 a customer of a savings bank shall be evidenced by a written document made
21 available to the customer at the time of the transaction. The document shall indicate
22 with reasonable specificity the identity of any third party to whom funds are
23 electronically transferred, the identity of the customer's account, the amount of
24 funds transferred, the type of transaction and the date of the transaction. A customer

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1 may be required to reenter an access device, such as a card, at a terminal in order
2 to receive transaction documentation if all the following conditions are met:

3 **SECTION 57.** DFI-SB 12.08 (4) of the administrative code is created to read:

4 DFI-SB 12.08 (4) EXCEPTION FOR WRITTEN DOCUMENT IN SMALL-VALUE TRANSFERS.

5 A savings bank is not subject to the requirement to make available a written
6 document under sub. (2) if the amount of the transfer is \$15 or less.

7 **SECTION 58.** DFI-SB 12.09 of the administrative code is repealed.

8 **SECTION 59.** DFI-SL 12.07 (2) (a) (intro.) of the administrative code is amended
9 to read:

10 DFI-SL 12.07 (2) (a) (intro.) The liability of a customer of an association for the
11 unauthorized use of a plastic card or other means ~~providing the customer access~~
12 device to a remote service unit ~~may not exceed the lesser of the following~~ shall be
13 determined as follows:

14 **SECTION 60.** DFI-SL 12.07 (2) (a) 1. and 2. of the administrative code are
15 repealed.

16 **SECTION 61.** DFI-SL 12.07 (2) (a) 3., 4., 5., 6., 7. and 8. of the administrative
17 code are created to read:

18 DFI-SL 12.07 (2) (a) 3. If the customer notifies the association within 2
19 business days after learning of the unauthorized use or of loss or theft of the plastic
20 card or other access device, the customer's liability may not exceed the lesser of \$50
21 or the amount of unauthorized transfers that occur before notice to the association.

22 4. If the customer fails to notify the association within 2 business days after
23 learning of the unauthorized use or of loss or theft of the plastic card or other access
24 device, the customer's liability may not exceed the lesser of \$500 or the sum of all of
25 the following:

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1 a. \$50 or the amount of unauthorized transfers that occur within the 2 business
2 days, whichever is less.

3 b. The amount of unauthorized transfers that occur after the close of 2 business
4 days and before notice to the association, if the association establishes that these
5 transfers would not have occurred had the customer notified the association within
6 that 2-day period.

7 5. A customer must report an unauthorized transfer from the unauthorized use
8 of a plastic card or other access device to a remote service unit that appears on a
9 periodic statement within 60 days of the association's transmittal of the statement
10 to avoid liability for subsequent transfers. If the customer fails to do so, the
11 customer's liability may not exceed the amount of the unauthorized transfers that
12 occur after the close of the 60 days and before notice to the association and that the
13 association establishes would not have occurred had the customer notified the
14 association within the 60-day period. When a plastic card or other access device is
15 involved in the unauthorized transfer, the customer may be liable for other amounts
16 set forth in subd. 3. or 4., as applicable.

17 6. If the customer's delay in notifying the association as provided in subd. 5.
18 was due to extenuating circumstances, the association shall extend the time
19 specified in subd. 5. to a reasonable period.

20 7. a. Notice to an association is given when a customer takes steps reasonably
21 necessary to provide the association with the pertinent information, whether or not
22 a particular employee or agent of the association actually receives the information.

23 b. A customer may notify the association in person, by telephone, or in writing.

24 c. Written notice is considered given at the time the customer mails the notice
25 or delivers it for transmission to the association by any other usual means. Notice

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1 may be considered constructively given when the association becomes aware of
2 circumstances leading to the reasonable belief that an unauthorized transfer to or
3 from the customer's account has been or may be made.

4 8. If an agreement between the customer and the association imposes less
5 liability than is provided by this section, the customer's liability may not exceed the
6 amount imposed under the agreement.

7 **SECTION 62.** DFI-SL 12.07 (2) (b) of the administrative code is amended to read:

8 DFI-SL 12.07 (2) (b) A customer furnishing another person with the plastic
9 card or other means providing access device to the customer's account through a
10 remote service unit shall be deemed to authorize all transactions that may be
11 accomplished by that means until the customer has given actual notice to the
12 association that further transactions are unauthorized.

13 **SECTION 63.** DFI-SL 12.08 (2) (intro.) of the administrative code is amended
14 to read:

15 DFI-SL 12.08 (2) TRANSACTION DOCUMENTATION. (intro.) ~~Every~~ Except as
16 provided in sub. (4), every transfer of funds made through a remote service unit by
17 a customer of an association shall be evidenced by a written document made
18 available to the customer at the time of the transaction. The document shall indicate
19 with reasonable specificity the identity of any third party to whom funds are
20 electronically transferred, the identity of the customer's account, the amount of
21 funds transferred, the type of transaction and the date of the transaction. A
22 customer may be required to reenter an access device, such as a card, at a terminal
23 in order to receive transaction documentation if all the following conditions are met:

24 **SECTION 64.** DFI-SL 12.08 (4) of the administrative code is created to read:

